

BILL ANALYSIS

Senate Research Center
84R23173 CJC-F

H.B. 2293
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Finance
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

For purposes of Chapter 42 (Foundation School Program), Education Code, the comptroller of public accounts of the State of Texas (comptroller) is required to certify to the commissioner of education final taxable values for each school district as computed on the impact of specified homestead exemptions and tax limitations based on the Property Value Study. Sections 403.302 (j) and (k), Government Code, specify the taxable values that must be reported to the Texas Education Agency (TEA).

These taxable values are used in the school funding formula to determine state funding of school districts, but some of the statutorily required taxable values are obsolete because no school districts are being funded based on these values.

Under H.B. 2293, the comptroller and TEA would enter into a memorandum of understanding for the comptroller to report final taxable values for each school district adjusted as necessary to give effect to the school funding provisions of the Education Code. The memorandum of understanding would provide the flexibility to report the necessary information but would prevent statutorily required obsolete reporting.

TEA has agreed that a memorandum of understanding will provide the flexibility needed when changes impact school funding.

H.B. 2293 amends current law relating to the certification by the comptroller to the commissioner of education of the taxable value of property in each school district.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 403.302(j), Government Code, as follows:

(j) Requires the comptroller of public accounts of the State of Texas (comptroller) to certify the final taxable value for each school district, appropriately adjusted to give effect to certain provisions of the Education Code related to school funding, to the commissioner of education as provided by the terms of a memorandum of understanding entered into between the comptroller, the Legislative Budget Board, and the commissioner of education.

Deletes existing text requiring the comptroller to certify, for purposes of Chapter 42 (Foundation School Program), Education Code, to the commissioner of education final values for each school district computed on certain exemptions and limitations in tax increases as set forth.

SECTION 2. Repealer: Section 403.302(k) (relating to the comptroller certifying the final value of school district property values for each school district), Government Code.

SECTION 3. Provides that the change in law made by this Act applies only to a certification made by the comptroller of public accounts of the adjusted taxable value for a school district to the commissioner of education on or after the effective date of this Act.

SECTION 4. Effective date: January 1, 2016.